

MEMO# 1019

March 6, 1989

CALIFORNIA ADOPTS RULE CONCERNING PROCEDURE FOR INVESTMENT ADVISERS SURRENDERING CERTIFICATES

March 6, 1989 TO: INVESTMENT ADVISER ASSOCIATE MEMBERS NO. 16-89 INVESTMENT
ADVISER MEMBERS NO. 17-89 RE: CALIFORNIA ADOPTS RULE CONCERNING PROCEDURE
FOR INVESTMENT ADVISERS SURRENDERING CERTIFICATES

Effective February 1, 1989, the California Corporations Commissioner adopted a change concerning the procedure for investment advisers wishing to withdraw their certificate as an investment adviser. A copy of the rule change is attached. Under Section 260.242, the new regulation requires that an application to surrender a certificate as an investment adviser shall be made on a form prescribed by the Commissioner of Corporations. This form requires that an investment adviser disclose certain information including its name, address, principal place of business, the reasons for surrendering the certificate, whether the applicant has custody or possession of client funds or securities, whether the applicant owes money to any clients for prepaid subscriptions or investment advisory fees, whether the applicant has assigned any of its investment advisory contracts to another person, whether the applicant is involved in any legal action or proceeding, and whether there are any unsatisfied judgments against the applicant. Robert L. Bunnan, Jr. Assistant General Counsel
Attachment